

**Terna S.p.A. – General Meeting of May 4<sup>th</sup>, 2018 (single call) – Proxy Form and Voting Instructions for  
Appointed Representative COMPUTERSHARE S.p.A.**

**Computershare S.p.A.**, as **Appointed Representative** pursuant to article 135-*undecies* of Italian Legislative Decree 58/98 (TUF) by **TERNA S.p.A. (the Company)**, shall collect the voting proxies relating to the ordinary shareholders' meeting convened on **May 4<sup>th</sup>, 2018**, in single call, under the conditions and within the period reported in the notice of call published on the Terna S.p.A.'s website "www.terna.it" on **April 4<sup>th</sup>, 2018**.

The proxy and voting instructions may be cancelled up to **12 pm of May 2<sup>nd</sup>, 2018** with the same procedures used for their conferral.

**Conferring proxies and voting instructions via subscription and submission of this form shall not result in any cost for the proxy grantor, with the exception of the costs to send the proxy itself.**

In the event of unknown circumstances or in the event of amendments or integrations to the proposals presented to the Shareholders' Meeting, Computershare S.p.A., as Appointed Representative, although not involved in any of the situations that give rise to a conflict of interest as contemplated in article 135-decies of TUF, does not intend to express a vote other than that indicated in the voting instructions received. Therefore, in the present form it is not possible to authorize the Appointed Representative to express a vote other than that indicated in the voting instructions received. The party appointed as representative may not be assigned proxies except in compliance with article 135-*undecies* of Italian Legislative Decree 58/98 (TUF).

**PROXY FORM**

**Fill in the requested information on the basis of the below Instructions and inform the Company through Computershare S.p.A. (1)**

**\* mandatory information**

The undersigned \* .....place of birth \* .....date of birth\* ..... Tax Code (or other equivalent code)\* .....  
residing in (town/city) \* ..... address \* .....  
telephone no\* ....., e-mail\* .....  
entitled of the voting right as :**(2)** ☐ holder of shares on **April 24<sup>th</sup>, 2018**- ☐ legal representative - ☐ attorney with power of sub-delegation - ☐ secured creditor - ☐ contango  
broker - ☐ usufructuary - ☐ guardian - ☐ manager - ☐ other (specify) .....  
for no \* ..... ordinary shares Terna (ISIN IT0003242622)

**(3)**in the name of .....place of birth \* .....date of birth.....Tax Code (or other equivalent code).....  
residing in (town/city)\* ..... (address\*).....

registered in the securities account **(4)** no..... at .....Bank code ..... Sorte code .....  
as resulting from communication no **(5)** ..... made by (Bank) \* .....

**DELEGATES** the above Appointed Representative to take part in and vote at the above mentioned meeting, with reference to the above shares, as per the instructions provided and

**DECLARES** that he/she is aware that:

- the proxy to the Appointed Representative may contain voting instructions even on just a number of proposals on the agenda and that, in this event, the vote shall be exercised only for the proposals in relation to which voting instructions have been conferred;
- the voting instructions given to Appointed Representative could be executed only if Terna S.p.A. had already received, within the beginning of Shareholders' Meeting, a statement from the intermediary regarding the shares as recorded in the proxy form.

DATE..... Form of Identification **(6)** (type)\* .....issued by\* .....no\* .....SIGNATURE/STAMP.....

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**VOTING INSTRUCTIONS**

*(For use of Appointed Representative only - tick relevant boxes and send to Computershare S.p.A. as per the Instructions)*

The undersigned (7) .....

**DELEGATES** the Appointed Representative to vote at the Terna's shareholders' meeting convened for **May 4<sup>th</sup>, 2018** in single call, according to the following instructions (8):

RESOLUTIONS TO BE VOTED	VOTING INSTRUCTIONS		
	<b>Section A:</b> F(for), C (against), A (abstain) <b>Section B/C:</b> Confirm, Cancel, Modify previous instructions		

1. Financial statement as of December 31, 2017. Reports of the Board of Directors, of the Board of Statutory Auditors and the Independent Auditors. Related resolutions. Presentation of the consolidated Financial Statement as of December 31, 2017; Presentation of the Consolidated Non-Financial Statement as of December 31, 2017;							
Section A – vote for resolution proposed by the Board of Directors (9)				F	C	A	
Sections B and C (11)			Conf	Canc	Mod voting instructions		
B – vote for unknown circumstances			Conf	Can	F	C	A
C1 – vote for amendment/integration proposed by the Chairman of the meeting (12)			Conf	Can	F	C	A
C2 – vote for amendment/integration proposed by holder of majority/relevant interest (12)			Conf	Can	F	C	A
C3 – vote for amendment/integration proposed by holder of minority interest (12)			Conf	Can	F	C	A

2. Allocation of the net income of the fiscal year;						
Section A – vote for resolution proposed by the Board of Directors (9)			F	C	A	
Sections A2 – vote for proposal published pursuant to article 126-bis of TUF (10)			F	C	A	
Sections B and C (11)		Conf	Canc	Mod voting instructions		
B – vote for unknown circumstances		Conf	Can	F	C	A
C1 – vote for amendment/integration proposed by the Chairman of the meeting (12)		Conf	Can	F	C	A
C2 – vote for amendment/integration proposed by holder of majority/relevant interest (12)		Conf	Can	F	C	A
C3 – vote for amendment/integration proposed by holder of minority interest (12)		Conf	Can	F	C	A

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<b>3. Annual Report on Remuneration: consultation on the Remuneration Policy pursuant to Art. 123ter, paragraph 6 of Legislative Decree no. 58/1998 (Consolidated Law on Finance);</b>						
<b>Section A</b> – vote for resolution proposed by the Board of Directors (9)			F	C	A	
<b>Sections A2</b> – vote for proposal published pursuant to article 126-bis of TUF (10)			F	C	A	
<b>Sections B and C (11)</b>		<b>Conf</b>	<b>Canc</b>	<b>Mod voting instructions</b>		
<b>B</b> – vote for unknown circumstances		Conf	Can	F	C	A
<b>C1</b> – vote for amendment/integration proposed by the <b>Chairman of the meeting (12)</b>		Conf	Can	F	C	A
<b>C2</b> – vote for amendment/integration proposed by holder of <b>majority/relevant interest (12)</b>		Conf	Can	F	C	A
<b>C3</b> – vote for amendment/integration proposed by holder of <b>minority interest (12)</b>		Conf	Can	F	C	A
<b>4. Phantom Stock 2018-2021 Plan. Related resolutions;</b>						
<b>Sezione A</b> – voto per deliberazione proposta dall'organo amministrativo (9)			F	C	A	
<b>Sezione A2</b> – voto per proposta pubblicata ai sensi dell'art. 126-bis del TUF (10)			F	C	A	
<b>Sezioni B e C (11)</b>		<b>Conf</b>	<b>Rev</b>	<b>Mod istruzioni di voto</b>		
<b>B</b> – voto per circostanze ignote		Conf	Rev	F	C	A
<b>C1</b> – voto per modifica/integrazione presentata in assemblea dal presidente dell'assemblea (12)		Conf	Rev	F	C	A
<b>C2</b> – voto per modifica/integrazione presentata da titolare di partecipazione di maggioranza o rilevante (12)		Conf	Rev	F	C	A
<b>C3</b> – voto per modifica/integrazione presentata da titolare di partecipazione di minoranza (12)		Conf	Rev	F	C	A

<b>Derivative action against Directors</b>					
Vote for proposed derivative action pursuant art. 2393, subsection 2, of Italian civil code upon approval of the annual financial statements			F	C	A

DATE

SIGNATURE

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**Instructions for filling in and submitting the form**

1. The original **Proxy form** (together with the documentation providing proof of the signatory power as per the following point) must be notified to the Company via the Appointed Representative together with the **Voting Instructions reserved to him within May 2<sup>nd</sup>, 2018** to Via Monte Giberto, 33, 00138 Rome; if necessary, a copy may be sent in advance within the same date, with a declaration of compliance with the original, using one of the following alternative methods:
  - fax: no. +39 06 45417450
  - attached to an e-mail message sent to: "[terna@pecserviziottoli.it](mailto:terna@pecserviziottoli.it)"
2. Specify the capacity of the proxy signatory and attach, if necessary, documentation proving signatory power.
3. To be completed only if the owner of the shares is different from the proxy signatory; mandatory indications on relevant personal details must be included.
4. Provide details on the securities account numbers, Bank Codes and Sort Codes of the Depository Intermediary, or in any case his or her name, available in the securities account statement.
5. Reference to the communication made by the intermediary and his/her name, if differing from the depository of the securities account as per point 4.
6. Provide details on a valid form of identification of the proxy signatory.
7. Provide the name and surname of the signatory of the Proxy form and Voting instructions.
8. Pursuant to article 135-undecies, subsection 3, of Italian Legislative Decree no. 58/1998, "Shares for which full or partial proxy is conferred are calculated for the purpose of determining due constitution of the shareholders' meeting. With regard to proposals for which no voting instructions are given, the shares of the shareholder concerned are not considered in calculating the majority and the percentage of capital required for the approval of resolutions".
9. The resolutions proposed to the shareholders' meeting, which are briefly referred to herein, are reported in the Reports published on the company website "www.terna.it". Computershare S.p.A., as Appointed Representative has not personal interest or on behalf of third party in the proposals mentioned, however, in the event of unknown circumstances or in the event of amendment or integration to the motion presented to the meeting, Computershare does not intend to vote in a manner incompatible with the instructions received in Sections A, B and C. The vote is expressed by ticking the relevant box between the following: F (for), C (against) or A (abstention).
10. There is the Section A2 to receive instructions when an alternative, complementary or additional resolution to the motion proposed by the Board of Directors had been presented and published pursuant to art. 126-bis of the TUF, within the term and in the cases provided. The Appointed Representative shall vote on each motion in accordance with the instructions and the delegating party shall give instructions consistent with the type of proposals (alternative or complementary) published.
11. If any resolutions not provided in the proposals published as required by law, the Appointed Representative won't be able to vote without instructions. Therefore, should circumstances of importance which amend or integrate published resolutions occur, which were unknown at the time of issue of the proxy, which cannot be provided to delegating party and could modify the voting instructions, one of the following options may be chosen in sections B and C: Conf (confirm), Canc (cancel) or Mod (modify) the voting instruction already expressed. If no choice is made, the voting instructions in Section A are confirmed.

Particularly, if a motion that take the place of the published one is put to a vote or if an alternative resolution to the previously that did not obtain the majority of for-votes required for its approval is proposed, the delegating party shall give voting instructions in Section C which replace or integrate those of Section A.
12. The various voting intentions expressed in relation to the proponents' identity may be identical to each other but such instructions are binding on the Appointed Representative who shall vote only if the proponent's identity is as indicated in the relevant voting instructions. In the absence of a proposal presented by the board of directors, an integrative proposal presented to the meeting shall be approved. Therefore, the voting instructions are collected by the Appointed Representative in Section C as solely vote instruction on the proposals presented to the meeting by the proponents specified in that section.
13. It is recalled that, as indicated in the Notice of the Meeting, the resolution on the 3<sup>rd</sup> item on the agenda is not binding (according to art. 123 ter, paragraph 6, of the Legislative Decree No. 58 of 24 February 1998).

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### **Article 126-bis**

*(Integration of the agenda of the shareholders' meeting and presentation of new proposed resolutions)*

1. Shareholders, who individually or jointly account for one fortieth of the share capital may ask, within ten days of publication of the notice calling the shareholders' meeting, or within five days in the event of calling the meeting in accordance with article 125-bis, subsection 3 or article 104, subsection 2, for the integration of the list of items on the agenda, specifying in the request, the additional items they propose or presenting proposed resolution on items already on the agenda. The requests, together with the certificate attesting ownership of the share, are presented in writing, by correspondence or electronically, in compliance with any requirements strictly necessary for the identification of the applicants indicated by the company. Those with voting rights may individually present proposed resolutions in the shareholders' meeting. For cooperative companies the amount of the capital is determined by the statutes also in derogation of article 135.
2. Integrations to the agenda or the presentation of further proposed resolutions on items already on the agenda, in accordance with subsection 1, are disclosed in the same ways as prescribed for the publication of the notice calling the meeting, at least fifteen days prior to the date scheduled for the shareholders' meeting. Additional proposed resolutions on items already on the agenda are made available to the public in the ways pursuant to article 125-ter, subsection 1, at the same time as publishing news of the presentation. Terms are reduced to seven days in the case of shareholders' meetings called in accordance with article 104, subsection 2 or in the case of a shareholders' meeting convened in accordance with article 125-bis, subsection 3.
3. The agenda cannot be supplemented with items on which, in accordance with the law, the shareholders' meeting resolved on proposal of the administrative body or on the basis of a project or report prepared by it, other than those specified under article 125-ter, subsection 1.
4. Shareholders requesting integration in accordance with subsection 1 shall prepare a report giving the reason for the proposed resolutions on the new items for which it proposes discussion or the reason relating to additional proposed resolutions presented on items already on the agenda. The report is sent to the administrative body within the final terms for presentation of the request for integration. The administrative body makes the report available to the public, accompanied by any assessments, at the same time as publishing news of the integration or presentation, in the ways pursuant to article 125-ter, subsection 1.
5. If the administrative body, or should it fail to take action, the board of auditors or supervisory board or management control committee fail to supplement the agenda with the new items or proposals presented in accordance with subsection 1, the court, having heard the members of the board of directors and internal control bodies, where their refusal to do so should prove to be unjustified, orders the integration by decree. The decree is published in the ways set out by article 125-ter, subsection 1.

### **Article 135-decies**

*(Conflict of interest of the representative and substitutes)*

1. Conferring proxy upon a representative in conflict of interest is permitted provided that the representative informs the shareholder in writing of the circumstances giving rise to such conflict of interest and provided specific voting instructions are provided for each resolution in which the representative is expected to vote on behalf of the shareholder. The representative shall have the onus of proof regarding disclosure to the shareholder of the circumstances giving rise to the conflict of interest. Article 1711, second subsection of the Italian Civil Code does not apply.
2. In any event, for the purposes of this article, conflict of interest exists where the representative or substitute:
  - a) has sole or joint control of the company, or is controlled or is subject to joint control by that company;
  - b) is associated with the company or exercises significant influence over that company or the latter exercises significant influence over the representative;
  - c) is a member of the board of directors or control body of the company or of the persons indicated in paragraphs a) and b);
  - d) is an employee or auditor of the company or of the persons indicated in paragraph a);
  - e) is the spouse, close relative or is related by up to four times removed of the persons indicated in paragraphs a) to c);
  - f) is bound to the company or to persons indicated in paragraphs a), b), c) and e) by independent or employee relations or other relations of a financial nature that compromise independence.
3. Replacement of the representative by a substitute in conflict of interest is permitted only if the substitute is indicated by the shareholder. In such cases, subsection 1 shall apply. Disclosure obligations and related onus of proof in any event remain with the representative.
4. This article shall also apply in cases of share transfer by proxy.

### **Article 135-undecies**

*(Appointed representative of a listed company)*

1. Unless the Articles of Association decree otherwise, companies with listed shares designate a party to whom the shareholders may, for each shareholders' meeting and within the end of the second trading day prior to the date scheduled for the shareholders' meeting, including for callings subsequent to the first, a proxy with voting instructions on all or some of the proposals on the agenda. The proxy shall be valid only for proposals on which voting instructions are conferred.
2. Proxy is conferred by signing a proxy form, the content of which is governed by a Consob regulation. Conferring proxy shall be free of charge to the shareholder. The proxy and voting instructions may be cancelled within the time limit indicated in subsection 1.
3. Shares for which full or partial proxy is conferred are calculated for the purpose of determining due constitution of the shareholders' meeting. With regard to proposals for which no voting instructions are given, the shares are not considered in calculating the majority and the percentage of capital required for the resolutions to be carried.
4. The person appointed as representative shall any interest, personal or on behalf of third parties, that he or she may have with respect to the resolution proposals on the agenda. The representative must also maintain confidentiality of the content of voting instructions received until scrutiny commences, without prejudice to the option of disclosing such information to his or her employees or collaborators, who shall also be subject to confidentiality obligations. The party appointed as representative may not be assigned proxies except in compliance with this article.

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5. By regulation pursuant to subsection 2, Consob may establish cases in which a representative failing to meet the indicated terms of Article 135-decies may express a vote other than that indicated in the voting instructions

**Consob Regulation no. 11971 of 14 May 1999**

**Article 134**

*(Representative appointed by the company with listed shares)*

1. The proxy form provided under Article 135-undecies of the Consolidated Law shall contain at least the information provided by the schedule set out in Annex 5A.
2. The representative that does not have any conflicts of interest as set out under Article 135-decies of the Consolidated Act, where expressly authorised by the delegating party, may express a vote not aligned to the instructions in case significant events occur that were not known at the time the proxy was issued, and that cannot be communicated to the delegating party, provided that it could be reasonably inferred that, had the delegating party known of these significant events, it would have given its approval, or in the event of changes or additions to the proposals submitted to the shareholders' meeting.
3. When sub-paragraph 2 applies, the representative will state at the meeting:
  - a) the number of votes not expressed in accordance with the instructions received, or, in the event of a new proposal, expressed without instructions, with respect to the total number of votes exercised, distinguishing between abstentions, votes against and votes in favour;
  - b) the reasons behind the vote not expressed in accordance with the instructions received or in the absence of instructions.

**Italian Civil Code**

**Art. 2393**

*(Derivative action)*

1. A derivative action may be brought against directors pursuant to a resolution approved by shareholders, even if the company is in liquidation.
2. A resolution relating to the responsibility of directors may be put to the vote at a general meeting called for approval of the annual financial statements, even if such resolution is not on the meeting agenda, provided that it relates to matters occurring within the period to which the financial statements relate.
3. A derivative action may also be brought by a resolution of the board of statutory auditors passed by a two-thirds majority of its members.
4. Such action may be brought within five years of the expiry of the director's term of office.
5. The approval of a resolution to bring derivative action shall result in the removal of the director against whom such action is brought provided that votes representing at least one fifth of share capital are in favor. In such an event, shareholders shall provide for the replacement of that director.
6. The company may waive its right to bring derivative action and accept a settlement, subject to the waiver and settlement having been approved by shareholders, and provided that such motion is not opposed by minority shareholders representing at least one fifth of share capital, or, for listed companies, at least one-twentieth of share capital, or such percentage as may be established in the company's by-laws in relation to derivative actions brought by the company pursuant to Article 2393-bis.

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**PROTECTION OF PERSONS AND OTHER SUBJECTS WITH REGARDS TO THE PROCESSING OF PERSONAL DATA”  
INFORMATION NOTICE EX ART. 13 OF ITALIAN LEGISLATIVE DECREE NO. 196 OF 30 JUNE 2003**

Pursuant to article 13 of Italian Legislative Decree no. 196 of 30 June 2003, containing the code for the processing of personal data (hereafter: “the Code”), Computershare S.p.A., con sede in Milano, Via Lorenzo Mascheroni 19 (hereafter: “Computershare”) as data controller of the personal data (hereafter: “Data”) intends informing you of the following.

**1. PURPOSE OF DATA PROCESSING**

The Data provided will be processed by Computershare with the aid of computerised and/or paper means for the following purposes:

- a) Carrying out the fulfilments regarding representation in the shareholders’ meeting and expressing the represented subject’s vote in compliance with the instructions provided by the subject to Computershare;
- b) Fulfilling the obligations prescribed by law, regulations and EU legislation, as also the provisions laid down by Authorities and Supervisory Bodies, and administrative practice.

The provision of data and relevant processing by Computershare for such purposes, which are necessary for managing the contractual relationship or connected to the fulfilment of legislative obligations, is mandatory and consequently does not need explicit consent, which would otherwise prevent Computershare from developing and managing the relationship.

The Data are exclusively accessible to persons requiring them within Computershare on account of the activities and tasks they carry out, without prejudice to point 4, subsection two of this information notice. These persons, whose number shall be as limited as possible, process data as “Data Processors”, are Appointed for this purpose and suitably trained in order to avoid any loss, destruction, and unauthorised access or processing of the data.

The data controller and data manager is Computershare in the person of the Director appointed for this function.

**2. COMMUNICATION OF DATA TO THIRD PARTIES**

Computershare may notify the Data for the same purposes for which they have been collected to Authorities and Supervisory and control bodies, or other subjects indicated by them, under the provisions issued by them, or determined by laws, including EU laws, regulations or administrative practice.

**3. DATA PROCESSING METHODS**

Computershare processes the Data of interested parties in a lawful and correct manner, ensuring their confidentiality and safety. Processing – which includes the collection and any other operation contemplated in the definition of “processing” pursuant to article 4 of the Code (including, merely by way of example and in no way exhaustive, the registration, organization, elaboration, communication, storage and destruction of Data) – is performed using manual, computerised and/or telematic tools, with organisational procedures and logics that are strictly related to the above indicated purposes.

The Data shall be stored for the amount of time strictly necessary in relation to the purposes for which they have been collected, in compliance with the law and of any provisions laid down by the Privacy Guarantor.

**4. EXERCISING OF RIGHTS**

Interested parties may exercise their rights under article 7 of the Code; this article also provides that the interested party may request access to his/her Data, obtain a copy of the information processed and, where applicable, the updating, rectification, integration, cancellation or blocking of data, and may also oppose, in whole or in part, for legitimate reasons, the processing of his/her Data.

Interested parties may exercise their rights by contacting the above-identified Data Controller or Manager of Computershare S.p.A., via Lorenzo Mascheroni, 19, 20145 Milan, in compliance with the procedures laid down by law.

Computershare S.p.A.